competition arising from internationalization of the economy. Larger size also entails better management of risk.

(c) It is too early to assess the role of Foreign Direct Investment (FDI) in this regard. However, there is no change in the existing limit stipulated in the relevant banking statutes regarding flow of FDI in the public sector banks.

Licence to open branches of foreign banks

2838. SHRI CHO S. RAMASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to give permission to new foreign banks to open branches in the country;

(b) if so, the details thereof;

(c) how many such foreign banks have shown interest to open branches in the country; and

(d) what are the guidelines for giving such permissions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a), (b) and (d) Yes, Sir. Reserve Bank has issued a press release on February 28, 2005, in consultation with Government of India, indicating a 'Roadmap for Foreign Banks Presence in India' which contains guidelines for Bank branches of foreign banks in India. These guidelines can be seen in RBI website *www. rbi.org.in.*

(c) Reserve Bank of India has received applications from four foreign banks as on 15th April, 2005 for maiden presence/upgradation in India. These proposals are considered for approval in the meetings of Inter Departmental Committee in the Ministry of Finance and sometimes through circulation of the proposals also.

Kisan Credit Cards

2839. SHRI S. ANBALAGAN: Will the Minister of FINANCE be pleased to state:

(a) the salient features of Kisan Credit Cards (KCCs);

(b) the number of Kisan Credit Cards issued to farmers of Tamil Nadu, district-wise;

(c) whether any target is fixed for issue of KCCs during 2005 to the farmers of Tamil Nadu;

(d) if so, the details thereof, district-wise and if not, the reasons therefor;

(e) the percentage of farmers of the State covered by the scheme so far;

(f) whether Government considers the coverage of the scheme as satisfactory; and

(g) if so, the justification therefor and if not, the steps proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Salient features of the Kisan Credit Cards are:-

(i) Eligible farmers are provided a Kisan Credit Card and a Pass Book or a Card-cum-Pass Book valid for three years;

(ii) Revolving cash credit facility involving any number of drawals and repayment within the limit;

(iii) Personal Accident Insurance upto Rs, 50,000/- to the caredholder;

(iv) Credit limit of the card is fixed on the basis of operational land holding, cropping pattern and scales of finance;

(v) Credit limit includes entire production needs for full year plus ancillary activities related to crop production.

(vi) Each drawal to be paid within 12 months however, conversion/ reschedulement of loans also permissible in case of damage to crops due to the natural calamity; and

(vii) Crop loans disbursed under KCC scheme for notified crops are covered under Rashtriya Krishi and Bima Yojana.

(b) to (d) Since inception of the KCC scheme in August, 1998 upto February 28,2005, the banks have issued 30,97,091 KCCs in Tamil Nadu. No numerical target has been fixed for issuance of KCCs for the year, 2004-05. District-wise data is available only in respect of KCCs issued by Co-operative Banks and Regional Rural Banks which is given in the Statement. (See below)

(e) Majority of the eligible farmers of Tamil Nadu have been reportedly covered under KCC Scheme, which is considered to be satisfactory progress. With a view to cover remaining farmers, banks have been advised to continue their endeavour to cover the farmers who have not yet been brought under the ambit of the scheme for any reasons. Banks have been advised to launch a time bound programme aimed at motivating the non-wilfull defaulters to clear their dues, so that the benefits of the KCC scheme could be made available to them also. Apart from this, banks have been advised to mount publicity measures to popularize the KCC scheme so as to cover the balance eligible farmers within the next to three years under the scheme.

Statement

District-wise details of KCCs issued by Cooperative Banks and PRB-wise (Kisan Credit Scheme Coverage ofKKCC holders as on 28 February, 2005)

SI. *Ho.*	Name of the DCCB	Cumulative cards issued since inception
1	2	3
	Cooperative Banks	
1.	Coimbatore	65825
2.	Cuddalore	65958
3.	Dharmapuri	159784
4.	Dindigul	42387
5.	Erode	56017
6.	Kancheepuram	81870
7.	Kanyakumari	43225
8.	Kumbakonam	49588
9.	Madurai	37293
10.	Nilgiris	20558
11.	Pudukottai	44159
12.	Ramanathapuram	17488
13.	Salem	158852
14.	Sivaganga	8092
15.	Thanjavur	33172

1	2	3
16.	Tiruchirapalli	136789
17.	Tirunelveli	41283
18.	Tiruvannamalai	77574
19.	Thoothukudi	25940
20.	Vellore	64844
21.	Villupuram	174606
22.	Virudhunagar	16515
	Total	1421819
1.	Regional Rural Banks	14053
2.	Ahdiyaman Grama Bank	94094
3.	Pandiyan Grama Bank	8537
	Vallalar Grama Bank	
	TOTAL GRAND	116684
	TOTAL	1538503

Loan burden of States

2840. SHRI N.R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to state:

(a) whether the loan burden on various States of the country is increasing enormously;

(b) if so, the details thereof including external and internal debts as on December, 2004; and

(c) the steps taken by Government to reduce burden of loan on States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Outstanding debt of the State Governments increased from Rs. 23,959 crore in 1981 to Rs. 7,92,941 crore in 2003-04 (RE).

(b) The State-wise details of internal debt is annexed as Statement (See below,) States have no external debt.

(c) Government of India swapped high cost debt of Rs. 102033.59 crore under Debt Swap Scheme to reduce interest burden and also to use 20-40% of their small savings to swap the debt which would have otherwise added to the debt burden of the States. Government of India allowed the States to enable them to refinance their high cost debt under RIDF with